

Department of Transportation and Public Facilities
State of Alaska
Single Audit – Compliance Supplement

Program #	Program Name	Last Revised
1	Grant Program	5/97
2	Alaska Highway Safety Office Agreements	5/01

Grant Program

Department of Transportation and Public Facilities – Program 1

I. PROGRAM OBJECTIVES

The objective of the grant program is to fund various activities of the grantee based on legislative intent associated with the funding. The Department of Transportation does not have a unique grant program. However, it does administer pass through funding appropriated by the Legislature to local communities. These activities generally include but are not necessarily limited to construction, maintenance activities and formulation of transportation plans.

II. PROGRAM PROCEDURES

Funds are provided to the grantee on a reimbursable basis after signing a written agreement with the Department, unless an alternate funding method is specified in the agreement. The Department reserves the right to monitor the project, study or plan during its development, and may perform project inspections and perform an audit as needed.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirements

Funding cannot be expended for other than the intended purpose of the grant and must comply with State laws and regulations.

Suggested Audit Procedures

- There are no special suggested audit procedures.

B. ELIGIBILITY

Compliance Requirements

Only eligible charges should be reimbursed to the grantee. Special stipulations for eligibility may also be noted in the grant agreement.

Suggested Audit Procedures

- Test expenditures and related records for adequate supporting documentation and proper approvals.
- Test indirect expenses such as overhead for proper allocation methodology and reasonableness.

- Verify existence and/or completion in the case of equipment purchases or facility construction.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirements

Matching or level of effort for the grant recipient will be specified in the grant agreement.

Suggested Audit Procedures

- Determine that the grant recipient's records show sufficient match to meet the agreement requirements, if any.

D. REPORTING REQUIREMENTS

Compliance Requirements

Financial or progress reports may be required in the grant agreement. In addition, certification and acceptance may be required for construction project grants.

Suggested Audit Procedures

- Insure that reporting requirements have been met by the grantee and that reports have been submitted on a timely basis as specified in the grant agreement.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The grant agreement may contain additional stipulations that have not been tested in prior steps.

Suggested Audit Procedure

- Examine project documentation provided by the grantee to verify compliance with the special stipulations or requirements contained in the grant agreement.

Modified 5/97

Alaska Highway Safety Office Agreements

Department of Transportation and Public Facilities – Program 2

I. PROGRAM OBJECTIVES

The purpose of the Alaska Highway Safety Office is to provide a coordinated National Highway Safety program to reduce traffic accidents, deaths, injuries and property damage.

II. PROGRAM PROCEDURES

The Alaska Highway Safety Office annually enters into agreements with other state agencies and local governmental units to carry out the program objectives.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED AND UNALLOWED

Compliance Requirement

Funds must be expended in compliance with the services described in the project agreement, appropriate state statutes, and the appropriate sections of the Code of Federal Regulations.

Suggested Audit Procedure

- Test to determine whether the services outlined in the agreement are being provided.

B. ELIGIBILITY

The auditor is not expected to determine participant eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

Some agreements contain matching requirements.

Suggested Audit Procedures

- Determine whether or not a match is required of the provider agency.
- If a match is required, test to determine if the match requirement is met.

D. REPORTING REQUIREMENTS

Compliance Requirement

Reporting requirements are contained in the individual agreements

Suggested Audit Procedure

- Test to determine whether the reporting requirements set forth in the agreement are being met.

Compliance Requirement

Total costs in providing the services specified in the agreement must be reported.

Suggested Audit Procedures

- Make necessary tests to assure that all costs applicable to the services specified in individual agreements are being reported, and
- Test that expenditures for activities outside the services identified are not being charged to the program.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

Public Law 98-502 establishes audit requirements for state governments.

Suggested Audit Procedure

- Review PL 98-502 and include all tests necessary.

Modified 5/01